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ED/EC M-273

September 30, 1957

EXECUTIVE COMMITTEE OF THE
ECONOMIC DEFENSE ADVISORY COMMITTEE

MINUTES

2:30 p.m. Wednesday, September 25, 1957
Room 913 District National Building

Attendance:

<u>MDAC</u>	<u>Defense</u>
Mr. Hale, Chairman	Colonel Green
Mr. Barlerin	
Mr. Wight	
Mr. Kramer, Executive Secretary	<u>ICA</u>
Mrs. Lese, Committee Secretary	Miss Baldwin
<u>CIA</u> 25X1A9a	<u>State</u>
Mr. [REDACTED]	Mr. Wright
<u>Commerce</u>	<u>Treasury</u>
Mr. George	Mr. Pollak

Agenda:

1. State Draft Cable on Poland.
(Ref. POLTO 642)
2. Defense Memorandum on Proposed Revitalization of
the Economic Defense Program. (Attached)
3. Work Program - Paragraph 9.
(Further discussion of Commerce member's paper)

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1. State Draft Cable on Poland.
(Ref. POLTO 642)

Decision

The Executive Committee approved the draft cable regarding Poland as revised by the members at today's meeting.

Discussion

The State member submitted a draft instruction regarding quotas for Poland for 1958 for the members' review and approval.

The Defense member said that his agency's position is that there should be a single Sino-Soviet bloc quota. If State feels that Poland should be considered separately from the rest of the bloc it should be just cut from the same total quota without separate treatment. Many of the items on the quantitative list are highly strategic and they should be subjected to the same case-by-case treatment and criteria as List I. Consequently his Department would like to see Poland within the same quota with a justification for each item that is considered strategic.

The State member informed the group that as far as 1958 is concerned, a separate message will be sent giving the Del instruction to concur in List III treatment on List II items for Poland.

Certain changes in the wording of the draft instruction were suggested by the Defense and Commerce members and the State member indicated his willingness to incorporate the revised language.

2. Defense Memorandum on Proposed Revitalization of
the Economic Defense Program. (Attached)

Decision

The Executive Committee, after reviewing the Defense memorandum, were in agreement that there is no cause for separate or revised action under this paper, but noted their appreciation of the evaluation by the Defense Department.

Discussion

In response to a question by the Chairman whether the Defense member wished the memorandum, tabled at the preceding meeting, to be considered a personal submission, as were the comments submitted by MDAC, Commerce, and ICA members. The Defense member responded that it was of a more formal nature. He proceeded to outline his agency's reasons for the paper, but indicated that he was nevertheless prepared to support the Commerce member's paper.

The Chairman asked the members whether the Defense study presented a basis for action different from what we were currently pursuing, and whether there were

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portions of the paper that might require individual consideration.

The members felt that the Committee should continue the work started as a result of the Commerce paper as they did not feel the Defense memorandum warranted any different specific action.

3. Work Program - Paragraph 9 - further discussion of Commerce member's paper.

Because of the late hour, further discussion of this paper was deferred until the following day. The Chairman, however, urged that the group make a concerted effort to find the basis for alternative recommendations for new criteria.

The Commerce member submitted a paper entitled "Exceptions to Security Controls - Principles and Procedures", as an added (fifth) section to his paper dated September 17 which is under study in the Executive Committee.

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